

March 20, 2018

Hearing Before:

Re: HB1317, SB953

Testimony of Sharron Sample, President and CEO, Maryland Earthworks, Inc.

Delegates and Esteemed Colleagues:

Thank you for the opportunity to speak today about the importance of this Bill to medical cannabis patients and the ability of small dispensary owners such as myself to meet their needs.

We applaud the Bill's intent to provide meaningful opportunities to existing small dispensary owners, (~35). We would like to see more specificity about how quantitative and corrective measures will be applied to ensure this bill meets its objectives. We are concerned about the languishing of the licenses that were to have helped minorities last year, and the resulting shortage of supply. We would like to ensure the application of this bill would be applied in the way it is intended.

We believe it serves three important issues – first, the supply and demand needed to meet patient needs (current license limits will not meet the increasing demand) second - more equity among product providers and retail companies – third, better opportunity for the minority cannabis dispensaries.

I don't imagine that the Maryland Legislature intended the closed economic system that has evolved with only very large or very small businesses. The current structure represents risk to small businesses such as mine to meet local patient needs, and threatens the future success of my dispensary.

Three years into this business, we continue to see product shortages and difficulties in meeting patient demand, in an ever-increasing market. It takes time and work with each individual patient to fine tune the right product to effectively treat their condition. Substitutes, due to unavailability of preferred product, are frustrating, less effective, and costly to the patient. It often takes several tries to find an alternative that may give them some relief, but not meet their needs well.

We receive excellent product due from our Growers and Processors and appreciate their hard work and expertise. We recognize the dedication and hard work of the Maryland Medical Cannabis Commission in establishing this new, dynamic industry in Maryland. We simply need to put actions in place to allow more production.

HB 1317 offers a new class of cannabis license, separate and apart from existing license limits. It would reduce risk to successful independent dispensary owners, allowing us to produce medicine that is targeted to our particular geographic area. We would have some cushion against product shortages as we have recently experienced in Maryland. We don't imagine that we would produce all supply for our dispensary. Current and past business practices show that we require a wide

produce all supply for our dispensary. Current and past business practices show that we require a wide array of product (in our case over 400 items) to meet demands. This bill would allow us to produce the much needed product particular to our geographic demand and ease product shortages.

As a native Marylander, with an 80% minority-owned business, I have to believe our legislators care about giving small businesses such as myself an opportunity in this dynamic, changing market, evidenced by the fact that we received a license. I cannot imagine that anyone in the Maryland legislature would like to see our small startups fail. We know that all new businesses are hard work and challenging, and this business is no exception. In fact, multiply the difficulty by orders of magnitude due to complex regulation, tax obligations, costs of banking, and inordinate overhead. It has been far from the windfall of profits many imagined.

My work at NASA for 39 years provided an understanding of the life-changing – World changing - impact brought about by science and innovation. The medical cannabis field is rich with opportunity to help people through research and development. Maryland is the home of over 2000 life sciences businesses. Why would we restrict growth and innovation in the medical cannabis field any more than we would restrict innovation in these life sciences businesses?

Lastly, as the Commission continues to address geographic diversity for these businesses, we believe this bill should require a grow and processor license for each independent

dispensary. For example there are 4 in Southern Maryland, and only one processor, which has struggled to become established with little to no product available to local dispensaries. It is critical to be able to meet local needs and reduce some of our dependency on current grows and processors.

Thank you for your time and consideration.

Respenctfully,

Sharron Sample

President and CEO

Maryland Earthworks, Inc.